IN THE ODISHA REAL ESTATE APPELLATE TRIBUNAL AT BHUBANESWAR

OREAT Appeal No. 79/2025
(Arising out of C.C. No. 545 of 2024)

M/s Grand Bazar Developers LLP
represented through Mr. Kourab Kumar Rath,
Authorized Signatory. ...**Appellant**.

-Versus-

1) Sukanta Kumar Behera
2) The Secretary, ORERA, Bhubaneswar.

...**Respondents**.

Counsel for the appellant : Mr. S.Mohanty, Advocate
Counsel for the respondent no.1 : Mr. K.C.Prusty, Advocate
Counsel for the respondent no.2 : Mr. B.Nayak, Advocate

CORAM :
Shri S.K.Rajguru, Judicial Member
Dr. B.K.Das, Tech./Admn. Member

O R D E R
30.09.2026

The appeal is taken up for final order.

2) Order dated 30.1.2025 passed by the Odisha Real Estate Regulatory Authority (hereinafter referred to as the learned ORERA) in Complaint Case No.545 of 2024 is under challenge in this appeal. The appellant was the only respondent and the respondent no.1 of this appeal was the complainant in the said complaint case. The respondent no.2 of this appeal is the Secretary, ORERA. Prayer has been made in the appeal to set aside the impugned order dtd. 30.1.2025 passed in Complaint Case No.545 of 2024 and to pass any other order as deemed fit and proper by the Tribunal.

IBC Laws | www.ibclaw.in

3) Facts and circumstances leading to the filing of this appeal are as follows :

The present respondent no.1 being the complainant filed the aforesaid complaint before the learned ORERA on 28.5.2024 stating in the complaint petition that he is an employee of the State Bank of India. The respondent being the promoter of a proposed luxurious residential housing project namely "Grand Awaas" at Phulnakhara, registered with the ORERA in the year 2022 vide registration No.MP/07/2022/00628 and re-registered with it in the year 2024 vide registration No. MP/07/2024/01132, approached him through his representative to buy a flat in the proposed project. The complainant being impressed by the alluring advertisement and brochure of the respondent-company disclosing amenities like Star Hotel, Modern Wellness Centre with State-of-Art Spa facilities, more than 15 restaurants, Club House amenities, two swimming pools, mini Theatres, various Cafeterias, Banquet halls and lawns, State-of-Art Gym, Air conditioned Yoga and Meditation hall, Badminton, Squash, Table Tennis and Lawn Tennis courts, Jacuzzi and Sauna, Music and Dance Studio-cum-school, Aerobics Hall, Cricketing nets, Shooting range, Basket ball court etc. The complainant booked a Flat (No.K/19/06) on the 19th floor on Block-K of the project with a super built up area of 1530 square feet for a basic rate of R.55,00,000/- inclusive of parking and club house. He made a deposit of Rs.1,00,000/- towards booking amount on 31.8.2020 and obtained

money receipt to that effect. However, after a lapse of substantial period of time and even after obtaining registration certificate in respect of the project on 4.4.2024 when the respondent neither issued any demand letter nor executed the agreement for sale in respect of the aforesaid flat, the complainant approached him for execution of the agreement for sale, but the respondent evaded it on some vague reason. Apprehending that he would be seriously prejudiced if agreement for sale in respect of the flat booked in his favour is not executed, the complainant approached the learned ORERA with the aforesaid complaint praying therein to direct the respondent to execute a registered agreement for sale with him as per law in respect of the flat booked in his favour for the aforesaid agreed price.

Being noticed the respondent-promoter appeared before the learned ORERA through his counsel and filed a written objection to the complaint contending that the complainant having not entered into any agreement for sale with him, has no locus standi to file the complaint. The respondent though admitted to have approached the complainant through his representative to buy a flat in the project, but has termed the complainant's claim of booking the Flat No.K-19/06 on the 19th floor in Block-K of the project for a basic rate of Rs.55,00,000/- including parking and club house as completely false. It is contended by the respondent that Annexure-2 (Application Form) relied on by the complainant does not disclose the unit number, flat

number, the area and the price. The respondent further submitted that though Annexure-3 series (money receipt issued by the promoter and Statement of Account by the SBI) relied on by the complainant are of the date 31.8.2020, but the complainant without mentioning any date in his complaint submitted before the learned ORERA that he had requested the respondent for execution of agreement for sale and to issue demand letter. When such a request was there by the complainant to the respondent it has not been explained by him and so it is only an evasive submission before the learned ORERA without any meaning. The respondent claimed that the amount of Rs.1,00,000/- taken by him from the complainant was for expression of interest to ascertain the demand on market, but the khata number, plot number, area, mouza and unit number having not been mentioned in Annexure-1, no interest has been created in favour of the complainant only on the basis of it so as to entitle him to file a complaint before the learned ORERA. Further contending that, the complainant having no interest created in his favour cannot force the respondent for execution of agreement for sale relating to the flat in question with him, the respondent termed the complaint as not maintainable and without any cause of action. Accordingly, the respondent prayed for dismissal of the complaint with costs.

The learned ORERA on taking into consideration the pleadings of the parties and the documents filed by them in support of the same and also

on hearing them in detail passed the impugned order directing the respondent to execute an agreement for sale in favour of the complainant in respect of the Flat No.K/19/06 on the 19th floor in Block-K of the project 'Grand Awaas', Phulnakhara, within a period of three months making it clear that in the event of failure to comply with the order, the same shall be enforced as per law.

4) In the hearing of the appeal, the learned counsel for the appellant has submitted that the learned ORERA has failed to consider the fact that the respondent no.1 did not follow up with the appellant-company regarding his intention to proceed with the purchase of the flat. Learned counsel for the appellant has pointed out that the respondent no.1 had neither submitted the required Application Form to the appellant-company nor made any formal correspondence with it seeking execution of the agreement for sale in respect of the flat in question. The respondent no.1 failed to take any further step to confirm his intent to purchase the flat and so the learned ORERA has overlooked the absence of continued interest or communication on the part of the respondent no.1. It is further submitted that the Application Form annexed to the complaint petition was neither received nor endorsed by any authorized representative of the appellant-company at any point of time. It is claimed by the learned counsel for the appellant that the respondent no.1 has forged the application form only to support his allegations. It is further submitted that the complaint was filed by the

respondent no.1 only to pressurize the appellant-company. It is further submitted that the transaction never progressed beyond the booking stage and a binding contract like the agreement for sale was never executed. The learned counsel for the appellant asserted that the amount of Rs.1,00,000/- paid by the respondent no.1 to the appellant was also not towards booking of the flat in question, but towards an expression of interest. The learned counsel for the appellant has claimed that the respondent no.1 filed the complaint only with the intention to grab the flat at the base rate of Rs.55,00,000/-. It is claimed by the learned counsel for the appellant that the appellant has been diligent enough in giving effect to the scheme floated by it as more than 80 SBI employees who had approached the appellant for availing houses in the project had entered into agreements for sale, followed by handing over of possession only for the purpose of interior fittings. Learned counsel for the appellant has drawn the attention of the Tribunal to the fact that in C.C. no.342 of 2023 involving the same project, the learned ORERA has directed the appellant to refund the amount received towards expression of interest to the complainant with 9.50% interest per annum w.e.f. the date of payment till the actual date of refund of the said payment. Emphasizing on the fact that for a period of four years from the date of payment of Rs.1,00,000/-, the respondent no.1 had not communicated with the appellant and in absence of a bilateral agreement for sale containing essential particulars like the agreed type and

configuration of the flat, the super built-up area, details of the amenities to be provided, the proposed schedule for completion of the project, a brief title history of the land and approvals from the Development Authority and other statutory authorities, the transaction never progressed beyond the preliminary stage. Further contending that the impugned dtd. 30.1.2025 is illegal being opposed to the facts and law and if allowed to be implemented would cause grave mis-carriage of justice, the learned counsel for the appellant has made the prayer as mentioned earlier in para-2.

5) On the other hand, the learned counsel for the respondent No.1 apart from sticking to the claims and allegations of the complainant in the complaint petition has asserted that the appellant has received the amount of Rs.1,00,000/- from the respondent no.1 exclusively towards booking of the Flat no.K/19/06 on the 19th floor of Block-K of the project and not merely an expression of interest. It is further submitted that the application form itself contained the description of the unit number, super built up area, basic rate, parking space charge and other charges and so there being no defect with respect to the application form of the project, it was not a forged one. The learned counsel for the respondent no.1 has asserted that the appellant has received the amount of Rs.1,00,000/- knowing it to have been paid towards booking and has also granted money receipt mentioning therein that the same was towards booking of the flat. Categorically denying the allegation of the appellant that

the respondent no.1 did not follow up the matter after the preliminary stage, the learned counsel for the respondent no.1 has claimed that after submitting the required application form and paying the booking amount of Rs.1,00,000/-, the respondent no.1 had approached the appellant several times for execution of the agreement for sale. Further claiming that it was the appellant who had delayed the further progress in transaction due to non-registration of the project with the ORERA, the learned counsel for the respondent no.1 has termed the impugned order dtd. 30.1.2025 of the learned ORERA in C.C. No. 545 of 2024 to be absolutely correct as per facts and law and has prayed for dismissal of the appeal being devoid of merit.

6. Undisputedly, the appellant-promoter "Grand Bazaar Developers LLP" has launched the project "Grand Awaas" at Phulnakhara after the commencement of the R.E. (R&D) Act, 2016 registering it in the year 2022 under the ORERA vide No.MP/07/2022/00628 and subsequently re-registering it in the year 2024 vide No. MP/07/2024/01132. The project is therefore under the fold of the Act, 2016.

The claim of the respondent no.1, an employee of the State Bank of India, that, the appellant approached him through his representative to buy a flat in the aforesaid proposed residential project and he being influenced by the alluring advertisement had a meeting with the representative of the appellant who explained him the project details including the amenities, remains

undisputed. The appellant has also admitted that the respondent no.1 had booked Flat No. K-15/06 with an area of 1530 sq. ft. on the 15th floor of Block-K of the project, for a basic rate of Rs.55,00,000/- including parking and club house. The appellant has however disputed Annexure-2 of the complaint case relied on by the respondent no.1(Application Form) pointing out that the document does not support the facts relating to the Flat Number, Unit Number, Area and the basic rate as stated in the complaint. On perusal of Annexure-2 it is found to be a printed application form with name of the appellant-company at the top. The application under Annexure-2 is found to be filled in with the details of the respondent no.1-applicant and details of the housing unit with Tower number, Block number, Floor number, super built up area and the basic rate as claimed by the respondent no.1 in his complaint including the fact that the parking space charged and other charges, if any, are inclusive. The first page of Annexure-2 is found to bear the seal of the appellant-company with an endorsement "Received Original" and the second page of it is found to contain also the seal of the appellant-company and an endorsement "Unit Confirmed". Signatures of the respondent no.1-applicant are found on both pages of Annexure-2. The details of the flat number, the Unit number, the area and the basic rate having been clearly mentioned in Annexure-2, the claim of the appellant to the contrary is found to be incorrect.

The respondent no.1 has relied on the copy of the money receipt issued by the appellant-promoter and the Statement of Account issued by the SBI, Govt. Treasury Branch, Bhubaneswar (Annexure-3 series of the complaint) in support of his claim that he had paid Rs.1,00,000/- towards booking of the aforesaid flat of the project and that the amount has been debited from his account. The printed money receipt under Annexure-3 is found to be filled in with handwritten facts with the name of the appellant-promoter at the top and its round seal with signature at the bottom. The money receipt also reveals that an amount of Rs.1,00,000/- has been received by the appellant-promoter from the respondent no.1 through transfer from SBI on 31.8.2020 towards "booking of unit in its township project at Phulnakhara". The Statement of Account issued by the SBI under Annexure-3 shows the amount of Rs.1,00,000/- to have been debited from the account of the respondent no.1 in SBI, Govt. Treasury Branch, Bhubaneswar, on 31.8.2020. The appellant in his written show cause to the complaint admits to have taken the amount of Rs.1,00,000/- from the respondent no.1, but towards "expression of interest" to ascertain the demand on the market, but denies the amount to be towards booking of the flat in question in the name of the respondent no.1 on the plea that Annexure-2 did not contain the khata number, plot number, area, mouza and unit number. The denial of the appellant to the fact of booking of the flat in favour of the respondent no.1 on payment of the aforesaid amount of

Rs.1,00,000/- is not acceptable in view of the categorical mentioning in the money receipt under Annexure-3 that it has been received towards booking of the unit in the project. A promoter receiving amount from an intending homebuyer towards 'expression of interest' as contended by the appellant is no where contemplated under the provisions of the R.E. (R&D) Act, 2016. The appellant has also not adduced any evidence to show that he had received amounts from other intending home-buyers of the project towards 'expression of interest'.

Where one party has by his true words or conduct makes to the other a clear and unequivocal promise which is intended to create legal relations or affect legal relationship to arise in the future, knowing or intending that it would be acted upon by the other party to whom the promise is made, and it is in fact so acted upon by the other party, the promise would be binding on the party making it and he would not be entitled to go back upon it, if it would be inequitable to allow him to do so having regard to the dealings which have taken place between the parties, and this would be so irrespective whether there is any preexisting relationship between the parties or not. Further, where there exist two parties, and one makes a promise to the other, with the intent of creating a legal relationship, and such promise is acted upon by the party to whom it is made, then the party making such promise would be bound by it and would not be allowed to renege on its word. The concept is founded upon the idea of equity, and it seeks to prevent the

injustice that would be caused when persons making promises that are acted upon by others, refuse to honor their initial pledge. In the instant case, the appellant being the promoter by creating a legal relationship with the respondent no.1 has received Rs.1,00,000/- towards booking amount of the Flat No. K/19/06, Block-K on the 15th floor of the project having 1530 sq. ft. area at the basic price of Rs.55,00,000/- which is clearly a promise to the respondent no.1 by the appellant.

The respondent no.1 having paid an amount of Rs.1,00,000/- towards booking of a flat of the project with specific number and the appellant having accepted and retained the same for a period of 4 years or more, the former is certainly an allottee u/sec. 2 (d) of the R.E. (R&D) Act, 2016. Section 13 (1) of the Act provides for acceptance of advance payment by the allottee to the promoter but subject to a maximum limit of ten percent of the cost of the apartment before executing and registering the sale agreement. This shows an implied obligation of the promoter to execute and register sale agreement with the allottee after he receives advance payment from him within the aforesaid limit towards booking/allotment of the flat.

As per section 11 (3) of the Act, the promoter at the time of the booking and issue of allotment letter shall be responsible to make available to the allottee informations such as, (a) sanctioned plans, lay out plans, along with specifications, approved by the competent authority, by display at a site or such other place as may be specified,

and (b) stage wise time schedule of completion of the project, including the provisions for civic infrastructure like water, sanitation and electricity. This shows that the obligation of the promoter towards the allottee under the Act starts even prior to the execution of agreement for sale between them. As per Annexure-3 to the appeal memo relied on by the appellant-promoter, he is found to have executed sale agreements, after 3 to 4 years from the date of booking, with a number of customers, who like the respondent no.1 had also paid only the booking amount for specific flats of the project. Annexure-3 to appeal memo and the copy of the sale agreement between the appellant-promoter and an allottee namely Biranchi Narayan Behera available in the record of OREAT Appeal No.78/2025 arising out of complaint similar to the present complaint show that the sale agreement was executed in respect of Flat No.K/04/04 in the 4th floor of Block-K of the project on 8.5.2024 after an amount of Rs.1,00,000/- towards its booking was paid on 1.6.2020.

The admission of the appellant to have approached the respondent no.1 to buy a flat in his project, the money receipt issued by him under Annexure-3 series of the complaint showing clearly the amount of Rs.1,00,000/- to have been received towards booking, the appellant's retention of the amount for a substantial long period and the appellant's execution of registered sale agreements with other intending buyers who were similarly placed with the respondent no.1, together lead us to an irresistible conclusion that, the appellant was

certainly in a real estate transaction with the respondent no.1 for a consideration period of time and thus cannot avoid the execution of sale agreement with him on a plea like “expression of interest”.

The Real Estate (Regulation and Development) Act, 2016 has been enacted by the Parliament for establishment of Real Estate Regulatory Authority for regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector. In the case at hand, the respondent no.1, a SBI employee being approached by the representative of the appellant to buy a flat in the project, with a proposed tower exclusively for the SBI employees, and a brochure disclosing alluring amenities, as mentioned in para-3, deposited Rs. 1,00,000/- which was duly acknowledged by the appellant-promoter. The fond hope of getting a flat has been shattered by the arbitrary and whimsical decision of the appellant-promoter in not entering into the agreement for sale when he had entered into agreements for sale with similarly placed SBI employees. The arbitrary decisions of the appellant strikes at the root of discrimination since the Hon’ble Apex Court vide their Judgment dtd. 12.09.2025 in the case of **Mansi Brar Fernandes vrs. Shubha Sharma and Another** (Civil Appeal No.3826 of 2020) and three other civil appeals at para-22 held as follows :

> “The right to housing is not merely a contractual entitlement but a facet of the fundamental right to life

> under Article 21. Genuine homebuyers represent the backbone of India's urban future, and their protection lies at the intersection of constitutional obligation and economic policy. Through these directions, this Court seeks to restore faith in the regulatory and insolvency framework, deter speculative misuse, and ensure that the "dream home" of India's citizens does not turn into a lifelong nightmare."

7) From the conjoint reading of the aforesaid provisions of the Act, keeping in view the factual aspects, there is no room for any doubt or debate that in the instant case, the appellant-promoter has duly accepted the amount of Rs.1,00,000/- from the respondent no.1, which has been paid on 31.8.2020 pursuant to the brochure issued by the appellant knowing it to have been paid towards booking of the flat in question. The project in question has also got ORERA registration in the year 2022. From the documents referred to, it is crystal clear that the respondent no.1 steps into the shoes of an allottee or qualifies as an allottee. The appellant vide his own document i.e. Annexure-3 has admitted that a number of similarly placed SBI employees who are at par with respondent no.1 had entered into agreements for sale with him in the year 2023 and 2024 i.e. after a lapse of three to four years from the date of payment of the booking amount. Though similarly placed SBI employees have entered into agreements for sale followed by delivery of possession for interior works, but the case of the respondent no.1 has not been duly considered as such the respondent no.1 being the complainant approached the learned Authority in Complaint Case No. 545 of 2024. In

the present case, no default on the part of the respondent no.1-allottee having been established, the inaction on the part of the appellant to execute the required agreement for sale with him appears to be arbitrary and malafide. Apparently the appellant-promoter has adopted a discriminatory attitude or double standard with regard to the similarly placed SBI employees so far as entering into agreement for sale is concerned. Therefore, on that premises, and on the anvil of principle of reasonableness and propriety, the direction of the learned ORERA to the appellant-promoter to enter into the agreement for sale with the respondent no.1 cannot be found fault with. Hence, in our considered opinion, the impugned order passed by the learned ORERA on 30.1.2025 in C.C. No.545 of 2024 is neither illegal nor erroneous to warrant our inference.

8) In view of the discussions made in the preceding two paragraphs, the impugned order dtd. 30.1.2025 passed in C.C. No. 545 of 2024 being factually and legally correct, is hereby confirmed. Resultantly, the appeal being devoid of any merit stands dismissed on contest against the respondents.

Send a copy of this order together with the record in C.C. 545 of 2024 to the learned ORERA for information. Also send a copy of this order each to the appellant and the respondent no.1.

Shri S.K.Rajguru
(Judicial Member)

(Dr. B.K.Das)
(Tech./Admn. Member)

Td